



# Department of Justice

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## **ALLIED WASTE AND WASTE MANAGEMENT ABANDON SALE OF OHIO AND MISSISSIPPI ASSETS**

### **Resolves Justice Department's Antitrust Concerns**

WASHINGTON, D.C.-- Allied Waste Industries Inc. will abandon its plan to buy \$36.6 million of Waste Management Inc.'s waste collection and disposal assets in Mississippi and Ohio, resolving the Department of Justice's antitrust concerns relating to Allied's proposed multi-million dollar acquisition of Waste Management assets in those areas. The announcement clears the way for Allied to proceed with its \$42.6 million acquisition of Waste Management's waste collection and disposal assets in the Kansas City, Missouri area.

The Department said that the deal, as originally proposed, raised antitrust concerns in Clarksdale, Greenville and Vicksburg, Mississippi, and Findlay and Lima, Ohio. In each of these areas, Allied and Waste Management are two of only a few significant firms, and in many cases the only two significant firms, providing commercial waste hauling and/or municipal solid waste disposal services. The original deal would have eliminated a significant competitor in these areas.

"The abandonment of this part of the deal ensures that current levels of competition will be maintained in these Mississippi and Ohio areas," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division. "This resolution ensures that the benefits of competition, lower prices and better service, will be preserved for consumers in these areas."

The Department's Antitrust Division had been investigating Allied's proposed acquisition of assets from Waste Management because it had antitrust concerns about the effect of the

transaction in certain markets in Mississippi and Ohio. Although the Department had concerns about the Mississippi and Ohio aspects of the deal, it determined that the deal raised no competitive concerns in the Kansas City area.

Commercial waste hauling is the collection and transportation of trash and garbage stored in small metal containers or dumpsters, generally by specialized front-end load trucks, from establishments such as offices, apartment buildings, and retail businesses. Companies offering municipal solid waste disposal services, such as Allied and Waste Management, process and legally dispose of waste collected by haulers in disposal facilities such as landfills, incinerators, and transfer stations.

Allied, headquartered in Scottsdale, Arizona, is the second largest waste hauling and disposal company in the U.S., with sales of approximately \$6 billion in 1999.

Waste Management, based in Houston, is the largest waste hauling and disposal company in the U.S. In 1999, Waste Management reported revenues of \$13.4 billion.

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